1: Anonymous U-4 (no date) 1938 RB1 Baltic States RB1

APPENDIX II

COMMUNICATIONS

504 The Baltic States as a whole are not remarkably well provided with communications. It is true that both Estonia and Latvia each possess one harbour of great importance, viz. Tallinn and Riga, and a number of other ports, but Lithuania's seaboard is small and her sovereignty
496 over her only harbour, Memel (Klaipeda), is limited. On the other hand, nearly all the railways at present in use were built in the days of the Russian Empire, often with strategic considerations in view, and it is, therefore, not surprising that the railway system is not well adapted to meet the requirements of three independent States. Though there are hardly any natural obstacles such as mountains, the adapting of the railways to their national requirements since the War has been limited
● 494 by the scarcity of capital. Finally, the road system inherited from Imperial Russia was poor, though it has been somewhat improved since the War.

(1) *Shipping*

505 The relative importance of the most important harbours can be judged from the following figures:

Shipping entered (in thousand net registered tons) in 1937, including coastal traffic

Riga	1,243
Tallinn	967
Memel	845
Ventspils	335
Liepāja	298

Most of the shipping entering these ports is foreign except in the case of Latvia. Of the total net registered tons of shipping entering the principal Latvian ports in 1937 about 29 per cent. was German, 26 per cent. Latvian, 11 per cent. Danish, and rather less British, while the next most important flags were Swedish and Norwegian.

The merchant fleets of Estonia and Latvia are small, and for the most part are chiefly occupied in local transport. That of Lithuania is at present of negligible importance. The total tonnage of merchant vessels[1] owned by Estonia on June 30, 1936, was 155,000 tons, and that of Latvia 170,000 tons, in each case nearly all the vessels being steamers. During 1937 the Latvian Government assisted in the formation of a shipping company, which has decided to order two modern cargo boats of 2,000 tons gross each to start a passenger and goods service between Latvia and British and German ports, and in other ways the Government has given much assistance to Latvian shipping. Proposals are made from time to time in Lithuania with a view to the foundation of a merchant fleet, but the only important step so far taken in this direction has been the purchase in 1935 of some small ships by the *Maistas* co-operative association. The Baltic ports are served by a number of

[1] Of 100 tons and over.